

# VALLEY HOSPITALITY SERVICES



## EMPLOYEE HANDBOOK

Revised January 2009

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## WELCOME

Dear New Employee:

Welcome Aboard! We are very pleased that you have decided to join the Valley Hospitality Services (VHS) team. As a new employee, you will find that we are firmly committed to meeting our responsibilities as good corporate citizens. As a result, every VHS employee is expected to act in accordance with the highest standards of business conduct. In addition to being familiar with VHS standard policies, employees should be aware, at a minimum, of the more significant laws and regulations that apply to our business.

In an effort to acquaint you with **Valley Hospitality** and the property you have been hired for, you will be **required to attend an orientation prior to beginning your employment.**

This handbook has been prepared to provide basic straightforward guidance for you. The principles in this handbook reflect VHS's standards in several key areas with which you should be generally familiar. The handbook covers many of the situations that may arise in the normal course of VHS's business, and it should provide a quick and ready reference in dealing with such situations.

Read the handbook carefully, and ask your supervisor for assistance if there is anything in it you do not understand. **All information is subject to change at the discretion of the Company.**

I look forward to meeting you and I hope that you enjoy your new position with Valley Hospitality Services.

Sincerely,

Brian Plemmons, CHA  
President

## **MISSION STATEMENT**

*Valley Hospitality is a hospitality driven company with the mission to provide exceptionally friendly service, commitment to a quality product, and job satisfaction for our talented staff.*

## PURPOSE OF THE HANDBOOK

This Handbook is designed to acquaint you with our Company and to give you a ready reference to answer many of your questions regarding your employment with us. Of course, please remember that business conditions change, and this Handbook is only a summary of the employee benefits, personnel policies, and employment rules that are in effect at the time we published the Handbook.

**This Handbook does not create an “employment contract” or other contractual rights.**

**According to state law, all employees are employed “at-will,” which means that they can be terminated at any time, with or without cause and with or without advance notice. This “at-will” relationship can be changed only in a written document signed by the Company’s President.**

Although the Company intends that the benefits, policies and regulations outlined in this Handbook will generally remain in effect, the Company reserves the right at any time to amend, curtail or to otherwise revise the benefits, policies or regulations outlined in this Handbook.

This Handbook applies to all employees. However, where it conflicts with any contract, such as insurance summary plan descriptions, that contract shall control.

**This Handbook supersedes all prior inconsistent Handbooks or policies.**

## **INTRODUCTORY POLICIES**

### **GUEST RELATIONS PHILOSOPHY**

Our most important goal is guest satisfaction. Our guests are the most important part of our business, and each of us depends on them for our job and our paycheck. Our guests expect and deserve courteous, attentive service. Never forget that our guests are the lifeblood of our business.

### **EMPLOYEE RELATIONS PHILOSOPHY**

**This Company's fine reputation is a direct result of the loyalty, commitment and continued efforts of our employees.** Every employee is important to us. We are committed to attracting and retaining quality employees like you. To accomplish this, we are committed to maintaining a competitive wage and benefit program. We want to make our workplace as pleasant and rewarding a place for you to work as we can. **We are equally committed to treating all of our employees with the respect and dignity that they deserve.** Most importantly, we want you to feel free to talk with us at any time.

### **EQUAL EMPLOYMENT OPPORTUNITY "EEO"**

We are an Equal Employment Opportunity employer committed to providing equal opportunity in all of our employment practices, including selection, hiring, assignment, re-assignment, promotion, transfer, compensation, discipline, and termination. The Company prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; veteran status; or any other category protected by federal, state, or local law. Violation of this policy will result in disciplinary action, up to and including immediate termination.

### **NO HARASSMENT**

We do not tolerate the harassment of applicants, employees, customers, or vendors. Any form of harassment relating to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; veteran status; or any other category protected by federal, state, or local law is a violation of this policy and will be treated as a disciplinary matter.

**Violation of this policy will result in disciplinary action, up to and including immediate termination.**

If you have any questions about what constitutes harassing behavior or what conduct is prohibited by this policy, please discuss the questions with your immediate supervisor or one of the contacts listed below. At a minimum, the term "harassment" as used in this policy includes:

- Offensive remarks, comments, jokes, slurs, or verbal conduct pertaining to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; veteran status; or any other category protected by federal, state, or local law.
- Offensive pictures, drawings, photographs, figurines, or other graphic images, conduct, or communications, including e-mail, faxes, and copies pertaining to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; veteran status; or any other category protected by federal, state, or local law.
- Offensive sexual remarks, sexual advances, or requests for sexual favors regardless of the gender of the individuals involved.
- Offensive physical conduct, including touching and gestures, regardless of the gender of the individuals involved.

We also absolutely prohibit retaliation, which includes: threatening an individual or taking any adverse action against an individual for (1) reporting a possible violation of this policy, or (2) participating in an investigation conducted under this policy.

Our supervisors and managers are covered by this policy and are prohibited from engaging in any form of harassing, discriminatory, or retaliatory conduct. No supervisor or other member of management has the authority to suggest to any applicant or employee that employment or advancement will be affected by the individual entering into (or refusing to enter into) a personal relationship with the supervisor or manager, or for tolerating (or refusing to tolerate) conduct or communication that might violate this policy. Such conduct is a direct violation of this policy.

Even non-employees are covered by this policy. We prohibit harassment, discrimination, or retaliation of our employees in connection with their work by non-employees. Immediately report any harassing or discriminating behavior by non-employees, including contractor or subcontractor employees. Any employee who experiences or observes harassment, discrimination, or retaliation should report it using the steps listed below.

**If you have any concern that our No Harassment policy may have been violated by anyone, you must immediately report the matter. Due to the very serious nature of harassment, discrimination and retaliation, you must report your concerns to one of the individuals listed below:**

1. First, discuss any concern with the General Manager of your property or if you are employed in Houlihan's Restaurant the Food & Beverage Director.
2. If you are not satisfied after you talk with the General Manager of your property or the Food & Beverage Director in the case of Houlihan's Restaurant, or if you feel that you cannot talk to the General Manager of your property or in the case of Houlihan's Restaurant the Food & Beverage Director, you should discuss your concern with the Director of Human Resources.
3. If you are not satisfied after you have talked with the Director of Human Resources, or if you feel you cannot talk to the Director of Human Resources you should speak to the Vice President of Finance at the Corporate office.
4. If at any time, you feel the need to speak to other members of management, you may contact the President of Valley Hospitality Services, Brian Plemmons.

**You should report any actions that you believe may violate our policy no matter how slight the actions may seem.**

We will take a written report, investigate the report and then take prompt, appropriate remedial action. The Company will protect the confidentiality of employees reporting suspected violations of this or any other Company policy to the extent possible consistent with our investigation.

**You will not be penalized or retaliated against for reporting improper conduct, harassment, discrimination, retaliation, or other actions that you believe may violate this policy.**

We are serious about enforcing our policy against harassment. Persons who violate this or any other Company policy are subject to discipline, up to and including immediate termination. We cannot resolve a potential policy violation unless we know about it. You are responsible for reporting possible policy violations to us so that we can take appropriate actions to address your concerns.

### **PROBLEM-SOLVING PROCEDURE**

**Employees, please note: Due to the serious nature of harassment, discrimination, and retaliation, you must voice your concerns or complaints about such behavior to the individuals listed in the No Harassment Policy in this Handbook.**

Most of us have had a question or problem concerning our job at one time or another. If there is something about your job that is bothering you, let's get it out in the open and discuss it. We cannot answer your question or solve your problem unless you tell us about it.

Our “Problem-Solving Procedure” offers all employees the freedom to discuss anything they wish with the Company. You should follow the procedure below if you believe that a Company policy may have been violated. Whenever you have a problem, it usually can be resolved by following these steps:

1. First, discuss any concern with your immediate supervisor. Very often, your supervisor is in the best position to handle your problem satisfactorily.
2. If you are not satisfied after you talk with your supervisor, or if you feel that you cannot talk to your supervisor, you should request to speak to your Department Manager.
3. If you are not satisfied after you have talked with your Department Manager, or if you feel you cannot talk to your Department Manager, you should speak to the General Manager.
4. If you are not satisfied after you have talked with the General Manager, or if you feel you cannot talk to your General Manager, you may contact the Director of Human Resources.
5. If you still feel the need to speak to other members of management, you may contact the President.

If you feel that you cannot follow the steps in this procedure, you may go directly to Step 3, 4 or 5 of this procedure, to the General Manager, The Director of Human Resources or the President. The General Manager, the Director of Human Resources and the President are available for advice and assistance in solving your problem at any time.

After discussing the matter with you and conducting an appropriate investigation, we will take prompt, appropriate remedial action. When you inform us of a concern or problem, we will try to answer you as soon as practical under the circumstances.

### **SUMMARY OF DRUG AND ALCOHOL POLICY**

As a condition of consideration for initial and continued employment, the Company prohibits employees from reporting to work or performing their duties with any unlawful drugs or alcohol in their systems. Employees are also prohibited from using, possessing, manufacturing, distributing, or making arrangements to distribute unlawful drugs or alcohol while at work, off site at training or meetings, on Company or customer property (including in personal vehicles onsite), during lunch or breaks, or in Company vehicles. Further, the Company prohibits all unlawful drug use, possession, or distribution, whether on or off duty — drugs can stay in one’s system and affect work later.

To enforce this policy, the Company may, at any time where lawful, require as a condition of employment, any employee to submit to a physical examination and/or an oral fluids, a urine, breath, blood or other type of test to determine the presence of drugs or alcohol in his or her system. The possible occasions for drug and alcohol testing include, but are not limited to:

1. Pre-employment and re-employment;
2. When the Company has a reasonable suspicion that an employee has violated the Drug & Alcohol Policy;
3. When an employee suffers an on-the-job reportable injury or is involved in an accident;
4. When an employee seeks a transfer or promotion, or returns from a suspension or a leave of absence; or
5. As part of any random program of testing which the Company may implement.

The Company may conduct alcohol testing where the Company has reasonable suspicion that the employee has violated the drug or alcohol policy, including accidents suggesting carelessness, disregard of safety rules or other conduct indicating possible violation of the Drug and Alcohol Policy.

Violation of these rules, including: (1) a test indicating being under the influence of alcohol or the presence of unlawfully used drugs in an employee's system; (2) refusal to cooperate with the Company in any test, search or investigation, or failure to execute any paperwork or consent forms necessary for examinations or tests; (3) possession of, distribution of, or consumption of unlawful or abused drugs, unauthorized alcohol, or drug paraphernalia; (4) tampering with or adulterating a test sample; or (5) unlawful conduct on or off duty will result in discipline, including immediate discharge of current employees or disqualification of an applicant.

Employees who refuse to submit to a test, or test positive for alcohol or unlawful drugs may be disqualified from receiving unemployment compensation benefits. Employees who refuse to submit to a test, or test positive for alcohol or unlawful drugs following a workplace injury may be disqualified from receiving workers compensation benefits.

Although the proper use of medication is not prohibited, an employee should consult with his or her supervisor, when he or she is legitimately taking medication which he or she has reason to believe may affect safety or performance. Any prescription medication brought onto Company or customer property or taken aboard Company vehicles must be retained in its original container labeled with the names of the employee and the prescribing physician. No employee may take another person's medication. The law treats the abuse of prescription medication as unlawful drug use.

If an employee wants to seek help for drug or alcohol problems prior to being caught in violation of the Company's Drug and Alcohol Policy or being asked to undergo a test, he or she may seek information from the President.

## COMPANY BENEFITS

### PAID HOLIDAYS

To best serve our customers, you often may be required to work on days near a holiday or sometimes on a holiday. Your manager will set your schedule in accordance with customer needs.

Employees that work at least an average of 32 hours per week and have completed the 90-day probationary period will be entitled to the following paid holidays whenever the holiday falls on a regularly scheduled workday:

New Year's Day  
Martin Luther King, Jr. Birthday  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Christmas Day

- Holiday pay for full time hourly employees is based on the average number of hours worked by the employee per week during the previous period.
- Holiday pay does not contribute to overtime.
- Part-time employees who have completed 90 days of service will be paid time and a half for hours worked on the above holidays.

Any non-exempt employee who is absent without the Company's written approval on the scheduled workday before or after the holiday becomes ineligible for holiday pay. If a holiday falls during your vacation, you may arrange with your supervisor to take an alternate day off or receive pay for the holiday.

### PAID VACATION

Newly hired employees become eligible for paid vacation time on a prorated basis after six months of continuous employment. The table below indicates the amount of vacation time you will receive through Dec. 31 of the year you become **eligible** for paid vacation. Full-time hourly and part-time hourly employees will receive a pro-rated portion based on the average number of hours worked per week during their first six months (not to exceed 40 hours.)

<u>6 Month Anniversary Date</u> <u>During Mo. of</u>	<u>Vacation Time</u>	
	<u>(Salaried)</u>	<u>(Hourly)</u>
January/February	40 hours	100% of Avg. Weekly hours worked
March/April	32 hours	80%
May/June	24 hours	60%
July/Aug	16 hours	40%
September/October	8 hours	20%
November/December	0 hours	0%

On January 1 of each subsequent year of employment, employees earn paid vacation time based on the number of calendar years of service completed as of January 1 of that year.

Hourly employees will receive an equivalent amount of paid vacation time based on the average number of hours worked per week during the previous twelve months (not to exceed 40 hours per week) The length of your vacation depends upon your years of service with the Company:

After one (1) full year of employment	- 5 days
After two (2) full years of employment	- 10 days
After five (5) full years of employment	- 15 days

All vacation time must be taken within the calendar year you become eligible for it and may not be carried forward to future years.

To maintain proper personnel coverage, employees generally may not schedule two (2) weeks of back-to-back vacation.

Vacations must be scheduled with and approved by your Department Manager at least two weeks prior to the vacation. Length of service prevails in scheduling vacation dates.

We pay earned unused vacation pay to employees who quit or are terminated, unless the employee was terminated for violation of company policy, or quit without giving two weeks (14 days) notice.

### **YOUR PAY**

All employees, upon hire, are required to complete a new hire packet to include information regarding payroll. All employees are requested to have a personal bank account, checking or savings at any banking institution, to receive bi-weekly wage/salary deposits. If an employee is unable to secure a personal bank account, and wishes to obtain one, arrangements have been made with Columbus Bank & Trust for Valley Hospitality employees who meet the criteria for banking at CB&T. Paychecks that are deposited directly into the bank account specified on the Direct Deposit Authorization are deposited every other Friday with the pay period ending on the Monday prior. **An alternative is to deposit your pay into a Money Network debit card. Manual payroll checks will be no longer be available. Employee must select either direct deposit or the debit card. We will only issue a manual check under special circumstances. Pay vouchers can be picked up at your property from your Manager or Supervisor on Friday afternoons after 3:00 pm. Manual checks will be distributed to Managers of Supervisors on Monday afternoons by 3:00 pm.** Any questions or concerns about your pay or deductions should be brought to the attention of your supervisor immediately.

### **WAGE GARNISHMENTS AND CHILD SUPPORT PAYMENTS**

The Company will comply with applicable federal and state laws in the withholding of garnishments and child support payments from an associates wages. The Company will charge an administrative fee on a per pay period basis of **\$15.00** per garnishment and **\$2.00** per child support order to offset the administrative costs involved.

### **401(K) PLAN**

Full-time employees who have been with a Valley Hospitality owned property for one year, and meet the criteria outlined in the plan documents, can participate in the 401K Plan. The enrollment dates for this are in January and July of the year following one year of continuous service.

The Company has established and maintains a 401(k) plan to allow eligible employees a tax-leveraged means of supplementing their retirement income. The Company currently pays for administration of this plan, which is funded entirely by employee contributions.

The Company provides employees covered by its plans with Summary Plan Description booklets and other materials regarding these retirement plans, as appropriate.

### **DENTAL INSURANCE**

We make available dental insurance for regular full-time employees on the first of the month following ninety (90) days of continuous employment. Premiums may be paid through automatic payroll deductions. You may obtain assistance or additional information regarding this program from Human Resources.

### **LIFE INSURANCE AND A.D. & D.**

Full-time salaried employees, on the first of the month following ninety (90) days of continuous employment, are eligible for Basic amounts of life insurance and accidental death & dismemberment insurance. In addition, an employee may choose to purchase supplemental amounts of voluntary life insurance and accidental death and dismemberment insurance for the employee, the employee's spouse, or the employee's dependent children.

### **MEDICAL INSURANCE**

We make available medical insurance for eligible regular, full-time employees on the first of the month following ninety (90) days of continuous employment. Family insurance also is available at the employee's expense and is paid for through payroll deduction. Insurance premiums and benefits are subject to change, and employees may be responsible for paying future increases.

The Company's medical plans provide the type of medical insurance needed to protect our employees and their families. We all must recognize that the cost of our medical plans is based upon how much they are utilized. Therefore, we all must be conscientious of unnecessary plan use. Our combined efforts will help to keep the cost of our health care down and enable us to continue to provide this very valuable benefit.

The Company provides covered employees with Summary Plan Description booklets and other materials relating to its medical plans. In the event of a conflict, the insurance contract or plan documents will prevail over other documents. You may obtain assistance or additional information regarding these programs from Human Resources.

## **COBRA**

Employees, and their dependents participating in the Company's group health plan, may be eligible for eighteen (18) to thirty-six (36) months of benefits continuation. Eligibility for this benefit continuation under COBRA (Consolidated Omnibus Budget Reconciliation Act) is triggered by a "qualifying event" such as reduction in hours of employment, divorce, or termination of employment for reasons other than gross misconduct, and is subject to policy terms and conditions and applicable legal guidelines.

Should you, your spouse, or your dependent child covered under our group health plan become eligible for this continuation coverage, you must indicate to us whether you elect to participate in this plan within a certain amount of time from the date of the "qualifying event." Otherwise, your group health benefits will end. If you have any questions regarding your eligibility or how benefit continuation works, please see Human Resources.

## **REASONABLE ACCOMMODATIONS/MODIFIED JOB DUTIES**

To assist our employees who are or become disabled and those employees who suffer on-the-job injuries, we will make reasonable accommodations to enable such employees to continue performing the essential functions of their jobs. Consistent with this policy, we may modify job duties to comply with medical requirements or restrictions. Other accommodations, such as transfer to a vacant position for which the employee is qualified, may be appropriate, depending upon specific facts and circumstances of individual situations.

Obviously, there are limits to the accommodations which we can realistically make. For example, where an accommodation would cause an undue hardship to the Company, we would be unable to make the particular accommodation. Similarly, where placing an individual in a position, with or without accommodation, would cause the employee to be a direct threat to the employee or others, we may be unable to place the employee in that particular position.

If you need to request a reasonable accommodation because of a disability or on-the-job injury, please follow the procedure set forth in our "Problem-Solving Procedure." We will discuss the matter with you, investigate your request, and to the extent possible, attempt to reasonably accommodate you.

## **SOCIAL SECURITY INSURANCE**

Pursuant to the Federal Insurance Contributions Act, better known as the Social Security Act, the Company deducts a percentage of your pay, matches it with an equal amount from the Company, and sends it to the government to be deposited in your Social Security account. If you are not familiar with the retirement and disability benefits provided under Social Security, check with your local Social Security office for a more complete explanation.

## **TRAINING AND EDUCATIONAL ASSISTANCE**

The Company provides periodic in-house training programs for qualified employees. In addition, regular, full-time employees may be considered to attend training programs that will

benefit the Company or enable them to improve their job proficiency with the Company. Financial assistance for such training programs is provided at the discretion of the Company and may include tuition, books, and supplies.

Advance approval by the General Manager is required before beginning any training program. Reimbursement is paid upon successful completion of any pre-approved program. From time to time, the General Manager may impose other requirements or conditions for receiving this benefit.

### **WORKERS' COMPENSATION**

Workers' Compensation is required by State law and is paid entirely by the Company. Workers' Compensation protects you in the event of occupational injury or sickness. **You must** report immediately any on-the-job accident, no matter how small, to your supervisor or Human Resources. Where medical care is required for on-the-job injuries, employees initially must go to one of the designated medical facilities listed on our bulletin boards.

### **BEREAVEMENT LEAVE**

In the event of a death in an employee's immediate family, Valley Hospitality will work with each employee so he or she may attend to family matters as well as the funeral. Immediate family is defined as the employee's mother, stepmother, father, stepfather, brother, sister, husband, wife, son, stepson, daughter, stepdaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, grandmother or grandfather. Valley Hospitality does not have a policy that allows employees to be paid during this time. Valley Hospitality provides Bereavement Leave consisting of three (3) days if the immediate family member resides within 150 miles of the employee's place of residence, and to consist of five (5) days if the immediate family member resides more than 150 miles from the employee's place of residence.

### **CIVIC RESPONSIBILITIES**

We encourage each of our employees to accept his or her civic responsibilities. As a good corporate citizen, we are pleased to assist you in the performance of your civic duties.

**Jury Duty:** If you receive a call to jury duty, please notify your supervisor immediately so we can plan the department's work with as little disruption as possible. While on jury duty, the Company will pay hourly employees at their regular hourly rate, less the amount received from jury duty.

Employees with jury duty must provide their supervisor with a copy of the subpoena. Employees who are released from jury service before the end of their regularly scheduled shift or who are not asked to serve on a jury panel are expected to call their supervisor as soon as possible and report to work if requested.

**Witness Duty:** If you are subpoenaed to appear as a witness, please notify your supervisor immediately so we can plan the department's work with as little disruption as possible. We do not pay employees who are subpoenaed to appear as witnesses.

Employees with witness duty must provide their supervisor with a copy of the subpoena. Employees who are released from witness service before the end of their regularly scheduled shift are expected to call their supervisor as soon as possible and report to work if requested.

**Voting:** Although polls are open most of the day, we realize that in some instances our employees are required to work overtime, and may find that these hours are insufficient to get to the polls. If you have a problem in this regard, please let your supervisor know so that we can make arrangements for you to have the necessary time to get to the polls.

### **FAMILY AND MEDICAL LEAVE OF ABSENCE**

Eligible employees may take up to twelve (12) weeks of unpaid, job-protected leave each year for specified family and medical reasons.

**Employee Eligibility:** To be eligible for family or medical leave, employees must have worked at least:

1. Twelve (12) months for the Company; and,
2. 1,250 hours for the Company over the previous twelve (12) months.

**Conditions Triggering Leave:** Family and medical leave must involve one or more of the following reasons:

1. To care for a newly born child, or placement of a child with the employee for adoption or foster care.
2. To care for an immediate family member (spouse, child, or employee's parent) with a serious health condition.
3. The employee has a serious health condition which makes the employee unable to perform the employee's job duties.

**Duration Of Leave:** Eligible employees may receive up to twelve (12) work weeks of unpaid leave during any "rolling" twelve (12) month period, measured backward from the date of any family or medical leave. Family and medical leave involving the birth or placement of a child for adoption or foster care must be concluded within twelve (12) months of the birth or placement.

Eligible employees may take family and medical leave intermittently -- which means taking leave in blocks of time, or by reducing your normal weekly or daily work schedule -- whenever it is medically necessary to care for a seriously ill family member or because you are seriously ill and unable to work. Intermittent leave is not permitted for birth of a child or placement of a child for adoption or foster care.

Subject to certain conditions, eligible employees may choose (or the Company may require you) to use accrued paid leave (such as sick time or vacation) concurrently with family and medical leave.

**Maintenance of Health Benefits:** The Company will maintain coverage for eligible employees and dependents (if applicable) during family and medical leave. This coverage will be provided if you or your family were covered under the plan before the leave was taken and on the same terms as if you had continued to work. Where appropriate, you must make arrangements to continue to pay your share of health plan premiums while on leave.

In some instances, the Company may recover premiums it paid to maintain health coverage for you and your family if you do not return to work from your leave.

**Job Restoration:** Upon returning from a family and medical leave, an eligible employee will normally be restored to his or her original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee does not continue to accrue additional benefits such as vacation, for example, while on family and medical leave. Use of family and medical leave does not result in the loss of any employment benefit that an employee earned or was entitled to before using family and medical leave.

**Notice And Medical Certification:** When seeking family and medical leave, employees may be required to provide:

1. Thirty (30) days of advance notice of the need to take family and medical leave, if the need is foreseeable.
2. Medical certifications supporting the need for leave due to a serious health condition affecting you or an immediate family member. Second or third medical opinions and periodic recertifications (at the Company's expense) may also be required.
3. Periodic reports during the leave regarding your status and intent to return to work.
4. Medical certification of fitness for duty before returning to work, if the leave was due to your health condition.

When leave is needed to care for an immediate family member or for the employee's own illness, and is for planned medical treatment, the employee must try to schedule treatment so that it will not unduly disrupt the Company's operation.

**Extended Medical Leave:** Eligible employees who have exhausted their family and medical leave and all other employees may be allowed to take an extended medical leave of absence, not to exceed one (1) month following the last day worked. Employees who take such extended medical leave are not guaranteed to be returned to work or reinstated to a particular job, rate of pay, or shift at the end of their extended medical leave. However, the Company will attempt to return an employee to his or her regular position if it is available. If it is not available at the time reinstatement is sought, the Company will attempt to place you in a similar job for which you are qualified, if such job

is available. Employees on extended medical leave may maintain their insurance benefits, subject to policy terms and conditions, by paying the applicable COBRA premiums in a timely manner. Employees on extended medical leave do not accrue any additional employee benefits such as vacation while on extended medical leave.

**Other Employment:** Outside employment during your leave period is prohibited and may result in disciplinary action, up to and including immediate termination of employment.

**Failure to Return from Leave or to Comply with Company Policy:** Employees may be subject to immediate termination for:

1. Failure to return to work within one (1) month of the beginning an extended medical leave;
2. Failure to return to work within twelve (12) weeks of the beginning of a family leave;
3. Failure to return to work as scheduled following the end of a medical or family leave;
4. Providing false or misleading information or omitting certain information in connection with a leave; or
5. Violation of any of the Company's rules and regulations relating to leave (or any other Company policy or performance standard).

### **LEAVE OF ABSENCE**

Employees may be allowed to take an unpaid leave of absence, not to exceed one (1) month following the last day worked. Employees who take such leave are not guaranteed to be returned to work or reinstatement to a particular job, rate of pay or shift at the end of their leave. However, the Company will attempt to return employees to their regular position if it is available. If it is not available at the time reinstatement is sought, we will attempt to place you in a similar job for which you are qualified, if such job is available. Employees on leave may maintain their insurance benefits, subject to policy terms and conditions by paying the applicable COBRA premiums in a timely manner.

Employees on leave may be subject to discipline, up to and including immediate termination for:

1. Failure to return to work within one (1) month of the beginning of an authorized leave of absence;
2. Providing false or misleading information or omitting certain information in connection with a leave;
3. Violation of any of the Company's rules and regulations relating to a leave (or any other policy or performance standard); or
4. Engaging in outside employment during leave.

## **MILITARY LEAVE OF ABSENCE**

The Company allows employees who require time off from work to fulfill military duties to meet those commitments.

An employee with such a commitment is expected to notify his or her immediate supervisor and to provide the Company with a copy of the orders as soon as possible. We ask that you be sensitive to the Company's needs when scheduling military duty or training.

## **PERSONAL LEAVE**

All full-time employees are eligible to receive one (1) day of paid personal leave, to be taken at their discretion after their sixth month of full-time employment. All full-time employees will receive an additional Personal Leave day during each year of employment thereafter as of January 1<sup>st</sup>. This leave is to be used for personal business, sick time, doctor, dentist, and other medical appointments and errands each year. Personal leave must be taken in either half-day or full-day increments. Personal leave cannot be carried forward to future years.

Each person needing to use personal hours must get the approval of his or her supervisor. Personal leave time must be noted clearly on your leave request. Personal leave time must be approved as far in advance as possible but not later than 24 hours prior to or immediately after the day is used.

## **STATE LEAVE LAWS**

Where a particular state gives employees additional leave rights, we will comply with those laws.

## **COMPANY POLICIES AND PROCEDURES**

This section of our Handbook discusses your responsibilities as an employee to the Company. Please thoroughly familiarize yourself with these policies and apply them in your work. Compliance with these policies will help ensure a more efficient, productive, and pleasant atmosphere for you, your co-workers, our customers, and suppliers.

### **EMPLOYEE STATUS**

**According to state law, all employees are employed “at-will,” which means that they can be terminated at any time, with or without cause and with or without advance notice. This “at-will” relationship can be changed only in a written document signed by the Company’s President.**

Regular full-time employees are employees who normally are scheduled to work thirty two (32) hours or more per week.

Temporary full-time employees are employees who normally are scheduled to work thirty (32) or more hours per week but are employed only on a short-term, temporary, or special project basis.

Regular part-time employees are employees who normally are scheduled to work fewer than thirty (32) hours each week on a consistent basis. Your supervisor will set your schedule in accordance with the company’s business needs and your employee status may be altered from time to time to meet those needs.

Regular full-time employees are eligible for benefits as outlined in the following pages, subject to certain other requirements which may be described in individual policies.

All other employees, including “temporary full-time employees,” “regular part-time employees” and “independent contractors,” are not eligible for all benefits.

For the purposes of family and medical leave, insurance, and certain other benefits, eligibility requirements may be different. If so, plan documents or applicable law will control eligibility.

If you have any questions concerning your status or the benefits for which you qualify, please ask your supervisor or contact Human Resources.

### **INTRODUCTORY PERIOD**

For every new employee, the introductory period of employment is a trial period for both the employee and the Company. During this time, you are able to learn about the Company, your job, and your new surroundings. At the same time, your supervisor will assist you in

learning your job. The introductory period is the first ninety (90) days of employment. No benefits are available during this period.

During the introductory period, the Company will review your job performance, attendance, attitude, and overall interest in your job, among other factors, and make a decision concerning your continued employment. After you complete your introductory period, the Company will continue to periodically review your overall job performance. Completion of the introductory period does not change your at-will employment status.

### **REVIEWS**

New employees will be reviewed after 90 days of employment. If you are absent from work for more than three (3) days during your introductory period, the Company may choose to extend your introductory period. If the Company determines that your job knowledge and performance is not meeting company standards the Company may choose to extend your introductory period as necessary to give you an opportunity to demonstrate your ability to do the job.

Annual reviews will be conducted at a designated time each year.

### **TRANSFERS**

**After six (6) months of employment, employees are eligible to apply for another position within the Company. A Transfer Request Form must be completed and approved by the employee's current Manager and the Manager at the new property or department. Other requirements are a satisfactory performance review and no disciplinary actions for the past six months. Once the employee has been selected for the new position, the employee can be transferred after completing a three (3) week period in their current position.**

### **VERIFICATION OF EMPLOYMENT ELIGIBILITY**

The Federal Immigration Reform and Control Act of 1986 requires employers to verify the legal working status of all employees hired on or after November 7, 1986. The Act makes it unlawful to hire anyone who is not either a citizen or an alien who has the legal right to be employed in the United States. All employees will be required to complete Form I-9 and provide current documentation **prior to starting employment** and from time to time, as required by federal law.

### **WORK SCHEDULE**

Your supervisor will set your schedule in accordance with the Company's business needs and your schedule is subject to change at any time.

Lunch and break times are set by your supervisor and may be varied to meet business and customer needs. Generally, employees who work at least 6 hours in a work day will have a meal period of 30 minutes, which is deducted from hours worked, and break period of 5 minutes, which is not deducted from hours worked. Employees are prohibited from leaving Company premises on break or during working time without authorization by management in advance.

While you are allowed to enter the Company premises and clock in up to 7 minutes before your work schedule starts, you should not perform any work before your normal schedule begins. Do not begin work before your normally scheduled shift unless previously authorized. Likewise, stop work at the end of your normally scheduled shift and clock out. In either instance, do not perform work unless you are “on the clock.” Do not work any overtime unless authorized by your supervisor.

### **ABSENTEEISM AND TARDINESS**

Each of our employees plays an important role in getting the day’s work done. Therefore, each employee is expected to be at his or her work station on time each day, limit breaks to the time allowed, and stay at work until scheduled to leave. Absenteeism or tardiness, even for good reasons, is disruptive of our operations and interferes with our ability to satisfy our customers’ needs. **Therefore, any absenteeism or tardiness can result in discipline up to and including immediate termination.**

If you are going to be late or absent from work for any reason, you must personally notify your supervisor at least 2 hours in advance so that proper arrangements can be made to handle your work during your absence. Of course, some situations may arise in which prior notice cannot be given. In those circumstances, you are expected to notify your supervisor as far in advance as possible. Failure to notify your immediate supervisor (or in the supervisor’s absence the manager) will result in an unexcused absence for the day and can result in discipline up to and including immediate termination.

**Failure to report to work without notifying the Company may result in automatic termination.**

When your absence is due to illness, the Company may require you to provide appropriate medical documentation.

Employees who violate our attendance policy may be disqualified from receiving unemployment compensation benefits.

### **BASIC WORK RULES**

This Company has certain policies and rules to govern the conduct and performance of our employees. Our most important rule is to use “good sense” at all times. We also have established some other basic work rules that should not be violated. **Violation of these or similar rules may result in discipline up to and including immediate termination.**

### **TIME AND ATTENDANCE POLICY**

**TARDINESS** – Arriving more than 10 minutes after shift begins

- \_\_\_\_\_ 1<sup>st</sup> Time – Verbal Warning
- \_\_\_\_\_ 2<sup>nd</sup> Time – Written Warning
- \_\_\_\_\_ 3<sup>rd</sup> Time – 1 Day Suspension
- \_\_\_\_\_ 4<sup>th</sup> Time – 3 Day Suspension
- \_\_\_\_\_ 5<sup>th</sup> Time – Termination of Employment

**UNEXCUSED ABSENCE**

- \_\_\_\_\_ 1<sup>st</sup> Time – Verbal Warning
- \_\_\_\_\_ 2<sup>nd</sup> Time – Written Warning
- \_\_\_\_\_ 3<sup>rd</sup> Time – Suspension for 3 working days effective \_\_\_\_\_
- \_\_\_\_\_ 4<sup>th</sup> Time – Termination of Employment

**CALL-NO SHOW AND NO CALL-NO SHOW**

- \_\_\_\_\_ 1<sup>st</sup> Time – 3-Day Suspension
- \_\_\_\_\_ 2<sup>nd</sup> Time – Termination of Employment

**OTHER CORRECTIVE COUNSELING**

- \_\_\_\_\_ 1<sup>st</sup> Time – Verbal Counseling
- \_\_\_\_\_ 2<sup>nd</sup> Time – Written Counseling
- \_\_\_\_\_ 3<sup>rd</sup> Time – Suspension for 3 working days effective \_\_\_\_\_
- \_\_\_\_\_ 4<sup>th</sup> Time – Termination of Employment

**ONE TIME OFFENSE**

- \_\_\_\_\_ Termination of Employment

**The following work rules are subject to Other Corrective Counseling or One Time Offense noted above depending on the severity of the work rule violation to be determined by the Manager and the HR Director.**

**Breach of Confidence or Security:** Because of the nature of our work, we cannot tolerate any breaches of our security measures or of our confidential business relationships.

**Company Premises:** You are allowed on Company premises **only** during your scheduled work hours, unless otherwise authorized by your supervisor.

If an employee is terminated for cause, the former employee is not allowed to return to the property for any reason other than to turn in uniforms and items belonging to the property, participate in the exit interview, and pick up their final paycheck unless specific permission is requested and given in writing by the President of Valley Hospitality Services.

**Conflict of Interest:** We prohibit employees from transacting any business that competes with the Company. If you think that you may have such a conflict, you must notify your supervisor immediately.

**Damage to Property:** We have made a tremendous investment in our facilities and equipment to better serve our customers and to make your job easier. Deliberate, reckless, or careless damage to the Company's property or our customers' property will not be tolerated. If appropriate, damage to property will be reported to law enforcement agencies.

**Discourtesy or Disrespect:** We expect all employees to be courteous, polite, and friendly to our customers and vendors, and to their fellow employees. No one should use profanity or show disrespect to a customer or co-worker, or engage in any activity which could harm our Company's reputation. **Such behavior may result in immediate termination.**

**Fighting, Threats, or Weapons:** We do not allow fighting, threatening words or conduct, loud or abusive language, or any other actions that could injure a customer, fellow employee, or member of the public, regardless of where such words or actions occur. We also do not allow the possession of weapons of any kind on Company premises.

**Fraud, Dishonesty or False Statements:** No employee or applicant may falsify or make any misrepresentations on or about any application, resume, document establishing identity or work status, medical record, insurance form, invoice, paperwork, time sheet, time card, or any other document. If you observe such a violation, please report it to your supervisor or Human Resources immediately.

**Gambling:** Employees may not engage in any form of gambling on Company premises.

**Harassment:** Our No Harassment Policy, which we have set forth in detail in this Handbook, strictly prohibits harassment based on race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; veteran status; or any other category protected by federal, state, or local law.

**Injuries and Accidents:** Every injury, no matter how slight, must be **immediately** reported to your supervisor for first aid treatment or medical care. If you have a job-related injury/accident, you must see a Company doctor. We may require that you present a doctor's release before returning to work.

**Insubordination:** We all have duties to perform and everyone, including your supervisor, must follow directions from someone. Employees must not refuse to follow the instructions or directions of a supervisor or member of management either by verbal refusal or a nonverbal refusal such as an unreasonable delay in completing work. Insubordination also includes disrespectful behavior toward a manager or supervisor including using

profanity, verbally and/or physically intimidating a manager or supervisor or speaking loudly or argumentatively to or about a supervisor.

**Leaving Early and Returning Late:** Leaving early or returning late from breaks or lunch is prohibited. Leaving your work assignment before quitting time to change clothes or make preparations to leave before the end of your scheduled shift is also prohibited.

**Misuse of Property:** Employees may not misuse or use without authorization any equipment, vehicle, or other property of customers, vendors, other employees, or the Company.

**Poor Performance:** We expect all employees to make every effort to learn their job and to perform at a satisfactory level. Employees who fail to maintain a satisfactory level of performance are subject to discipline, up to and including immediate termination.

**Shortages:** **Employees who handle cash as a part of their job duties will be held accountable and may be required to pay for all shortages as permitted by law.** Employees who handle cash as a part of their job duties may also be disciplined for such shortages, up to and including immediate termination.

**Cash Drawer Policy:** Employees who handle cash as part of their job duties are responsible for counting their banks and verifying the beginning amount in front of a witness when reporting for their assigned shift. All appropriate department cash handling procedures must be followed and will be strictly enforced. Valley Hospitality reserves the right to deduct the amount of the shortage from the employee's wage to the extent permitted by law. Any cash shortage can result in discipline up to and including immediate termination.

**Sleeping or Inattention:** To protect the safety of all employees and to properly serve our customers, everyone needs to be fully alert while on the job. We cannot tolerate sleeping or inattention on the job.

**Solicitation or Distribution:** We prohibit solicitation by an employee of another employee during the working time of either employee for any reason. Distribution of advertising materials, handbills, or other literature is prohibited in all working areas at all times. We also prohibit solicitation and distribution by non-employees on Company premises at all times.

**Substance Abuse:** We will not tolerate substance abuse. **Employees who test positive for the presence of drugs or alcohol are subject to immediate termination.**

**Training:** We expect all employees to complete the appropriate training according to Company and Brand standards within the designated time frames.

**Unauthorized removal of property:** Taking or attempting to take without authorization Company property or property belonging to others is strictly prohibited. To protect you, your co-workers, and the Company, we reserve the right to inspect all purses, briefcases, packages, lockers, tool boxes, desks, cabinets, vehicles, and any other containers or items on Company property. If you wish to remove any Company property from the premises, you must obtain written permission in advance from your supervisor.

**Unlawful Activity:** Employees should not engage in any unlawful or unethical activity, including, but not limited to activity either on Company property, a job site, or off the job, since such activity can adversely affect the Company's reputation.

**Unsafe Work Practices:** We are committed to providing a safe place for you to work, and we have established a safety program to ensure that everyone understands the importance of safety. This program requires all of us to exercise good judgment and common sense in our day-to-day work. Horseplay and practical jokes can cause accidents and injuries and, therefore, are prohibited.

**Violation of these or similar rules may lead to discipline, up to and including immediate termination.**

Obviously, this list is not all inclusive and there may be other circumstances under which employees may be disciplined or terminated. If you have any questions about these rules, or what we expect of our employees, please discuss them with your supervisor or Human Resources.

### **COMPLIANCE WITH APPLICABLE LAWS**

The Company intends to comply with all applicable state and federal laws, including but not limited to those relating to medical, family or military leave; equal opportunity; environmental regulations and laws; safety; health; and laws regarding any other terms and conditions of employment. Similarly, we expect our employees to comply with all laws that apply to their jobs as a condition of their continued employment.

### **JOB RESPONSIBILITIES**

To best serve our customers, we expect and require our employees to do a variety of tasks from day to day. Where possible, we attempt to cross-train our employees so that they can perform as many tasks as possible. This practice allows us to achieve maximum efficiency, as well as providing better job security for our employees.

Whenever customer service needs require us to assign employees to a new task, either temporarily or permanently, we will provide additional safety training, if necessary.

From time to time, we may publish lists of tasks to be performed by employees as part of their jobs. These lists are only guidelines intended to facilitate communications with employees and they should not be viewed as an exhaustive listing of a particular employee's job requirements.

All of our employees are responsible for compliance with the various federal, state, or local laws that apply to and regulate their job duties.

### **OUTSIDE EMPLOYMENT**

The Company considers other employment or “moonlighting” impractical given an employee’s full-time duties here. An employee should be careful that extra hours of work do not affect the safe performance of his or her regular job by leaving him or her tired and slow to react. All employees must notify their supervisor of any second job or outside employment and obtain the companies permission to continue such employment. Of course, any outside employment may not create a conflict of interest with your work at our Company.

### **OVERTIME**

The Company may periodically schedule overtime or weekend work to meet our business needs. We will attempt to give employees advance notice, if possible. We expect that all employees who are scheduled to work overtime or who are called upon to work on a special project will be at work unless specifically excused by their supervisor. Failure to report for scheduled overtime work may result in discipline, up to and including immediate termination.

We only pay overtime to non-exempt employees. All hours worked in excess of forty (40) hours per work week are overtime hours. All employees **must** have overtime approved by the appropriate supervisor prior to working those hours. Failure to do so may result in discipline, up to and including immediate termination. For purposes of calculating overtime, only actual hours of work will be considered. Paid time off is not considered for purposes of calculating overtime.

### **TIMEKEEPING PROCEDURES**

Unless otherwise notified, each employee is required to record his or her hours of work for the Company either through the use of a time clock or a handwritten record. Accurately recording all of your time is required in order to be sure that you are paid for all hours worked. You will be informed on your first day on the job whether you are required to keep your time by a time clock, a time sheet, or some other method. Whatever your method of timekeeping, you are expected to follow the established procedures in keeping an accurate record of your hours worked. Time must be recorded as follows:

- Immediately before starting work in the morning.
- Immediately after finishing work before lunch.
- Immediately before resuming work after lunch.
- Immediately after finishing work in the evening.
- Immediately before and after any other time away from work

Additionally, when applicable, employees must record any other non-working time (after breaks) such as time away from the Company for errands, doctor appointments, etc.

Any changes or corrections to your time record must be initialed by you and your supervisor. Under no circumstances may any employee record another employee’s time card or ask another employee to record his or her time card. Recording another employee’s time card may result in discipline, up to and including immediate termination.

### **BULLETIN BOARDS**

The Company maintains bulletin boards at various locations throughout our facilities as an important information source. These bulletin boards are to be used solely to post information

approved by the Company regarding Company policies, governmental regulations, and other matters of concern to all employees which are related to the employees' employment by the Company. Please form a habit of checking the bulletin boards daily so that you will be familiar with the information posted there. No information may be placed on these bulletin boards without approval by Human Resources.

### **BUSINESS RECORDS**

The Company and its employees maintain various types of written and electronic records related to the Company's business. All such records maintained on the Company's premises and in the Company's systems are considered to be Company property and, thus, are subject to review or inspection by the Company, its employees, or agents at any time without further advance notice. For these and other reasons, please do not use our computer systems or other business systems for personal matters or matters that are not related to the Company's business

### **CHANGES IN PERSONNEL RECORDS**

To keep your personnel records up to date, to ensure that the Company has the ability to contact employees, and to ensure that the appropriate benefits are available, employees must notify the Company promptly of any change of name, address, phone number, marital status, number of dependents, or other applicable information.

### **CONFIDENTIAL INFORMATION**

Employees may, by virtue of their employment with the Company, obtain access to sensitive, confidential, restricted and proprietary information about the Company that is not generally known or made available to the public or competitors and that the Company has made reasonable efforts to keep confidential, including but not limited to financial records, customer or vendor records and files, referral or mailing lists, credit card numbers, and similar information, whether stored electronically or in paper format.

Such confidential information shall be used solely by employees in the performance of their job duties for the Company and shall not be used in any other manner whatsoever during their employment. Employees shall not, without the prior written consent of the Company, use, disclose, divulge, or publish to others any such confidential information acquired in the course of their employment. Such confidential information is the exclusive property of the Company and under no circumstances whatsoever shall employees have any rights to use, disclose or publish to others such confidential information subsequent to the termination of their employment.

**Unauthorized use or disclosure of confidential information may result in discipline, up to and including immediate discharge, prosecution, or other available action.**

Upon termination of employment, employees must deliver to the Company any and all confidential information, whether stored electronically or in paper format, including but not limited to all copies of such documents prepared or produced in connection with their employment with the Company that pertain to the Company's business or the employee's services for the Company, whether made or compiled by the employee or furnished to the employee in connection with such services to the Company. In addition, at termination,

employees must return to the Company all of the Company's non-confidential property, documents, or electronic information.

This policy does not limit the common law and statutory rights of the Company.

### **CONTACT WITH GOVERNMENTAL AGENCIES**

Anyone who is contacted by a representative of a governmental agency or unit, including a process server, should not accept any document on behalf of the Company and should not answer any questions on behalf of the Company. The government representative should instead be referred to the Company's President. The purpose of this policy is to ensure that Company management receives all information pertaining to the Company at the earliest date possible so it may fulfill any obligation imposed upon it by law or regulation. This policy is not designed to prohibit an individual's cooperation with a government investigation.

### **ELECTRONIC COMMUNICATIONS**

This policy contains guidelines for the use, access, monitoring and disclosure of Electronic Communications used, created, sent, received, transmitted, or stored (collectively referred to as "use" or "used") by employees using any Company-provided communication system or equipment and employee-provided systems or equipment used either in the workplace or during working time. "Electronic Communications" include, among other things, messages, images or any other information contained in e-mail, voice mail, fax machines, computers, personal digital assistants, pagers, telephones, cellular and mobile phones, Intranet, or Internet. (In the remainder of this policy, all of these communication devices are collectively referred to as "Systems.")

**Acceptable Uses of Our Systems:** Employees may use our Systems to communicate internally with co-workers or externally with customers, suppliers, vendors, advisors, and other business acquaintances for business purposes. The Company provides employees with access to our Systems to facilitate these business communications and to enhance productivity.

**Management's Right to Access Electronic Communications:** All Electronic Communications contained in Company Systems are Company records. Although each employee may have an individual password to access these Systems, the Systems belong to the Company and the contents of the Systems and Electronic Communications conducted on the Systems are accessible by the Company at all times for any business purpose. These Systems will be subject to periodic unannounced inspections and should be treated like other shared filing systems. The contents of our Systems will also be monitored by and disclosed to the Company without further notice to employees. Thus, employees should not assume that Electronic Communications are confidential or private. Back-up copies of Electronic Communications in our Systems also will be maintained and referenced.

The Company's right to use, access, monitor and disclose Electronic Communications without further notice applies equally to employee-provided systems or equipment used either in the workplace or during working time.

**Personal Use of Our Systems:** The Company provides Systems to assist employees in the performance of their jobs. The Company reserves the right and employees agree to

permit the Company to use, access, monitor and disclose all Electronic Communications on our Systems without regard to content. Since employees' personal communications and information can be accessed without advance notice, employees should not use our Systems for communication or information that employees would not want discussed with or known to third parties. For example, employees should not use the Systems for gossip; personal information about themselves or others; for forwarding messages under circumstances likely to embarrass themselves or others; or for emotional responses to business correspondence or work situations. Employees also should not use these Systems for such purposes as soliciting for commercial ventures, religious or personal causes, outside organizations, or other similar, non-job-related situations.

Although incidental and occasional personal use of our systems that does not interfere or conflict with the Company's business is permitted this activity is restricted to non-working times such as lunch or break periods. Personal communications in our Systems are treated the same as all other Electronic Communications, and will be used, accessed, monitored, and disclosed by the Company at any time without further notice.

Employees may not install any software on any Company-provided System or copy software from any Company-provided System without the prior written permission of our Systems Supervisor. Involving the Systems Supervisor ensures that the Company can manage the software on its Systems, prevent the introduction of computer viruses, and meet its obligations under any applicable software licenses and copyright laws. Computer software is protected from unauthorized copying and use by federal and state law. The unauthorized copying or use of computer software exposes the Company and individual employees to substantial fines and/or imprisonment.

**Forbidden Uses of Our Systems:** Employees may not use our Systems in a manner that violates our No Harassment Policy, Equal Employment Opportunity Policy, or other Company policies. Employees may not use our Systems in any way that may be seen as insulting, disruptive, obscene, offensive, or harmful to morale. Examples of forbidden transmissions include, among other things, sexually-explicit messages, images, cartoons, or jokes; propositions or love letters; ethnic or racial slurs; or any other message or image that may be in violation of our No Harassment policy.

In addition, employees may not use our Systems:

- To carry any defamatory, discriminatory or obscene material;
- In a manner that violates the terms of any telecommunications license or any laws governing transborder data flow including but not limited to laws dealing with data collection, protection, privacy, confidentiality and security;
- In connection with any attempt to penetrate computer or network security of any Company or other system, or to gain unauthorized access or attempted access to any other person's Electronic Communications systems or equipment;
- In connection with any infringement of another person's intellectual property rights, including but not limited to copyrights; and,
- In connection with the violation or attempted violation of any law.

**Electronic Forgery:** Electronic forgery is defined as misrepresenting, disguising, or concealing your identity or another's identity in any way while using Electronic Communications; making changes to Electronic Communications without clearly indicating that you have made such changes; or using another person's account without prior written approval of the account owner and without identifying that you are the author. Electronic forgery is not allowed for any purposes.

**Intellectual Property Rights:** Employees must always respect copyrights and trademarks of third parties and their ownership claims in images, text, video and audio material, software, information, and inventions. Employees should not copy, use, or transfer proprietary materials of the Company or others without appropriate authorization. Downloaded software and other copyrighted material may be subject to licensing obligations or restrictions. Even when software is labeled "freeware" or "shareware" there may be retained licensing restrictions that prohibit or limit the usage or commercialization of such items. If questions arise in this regard, contact the Systems Supervisor. The Company will cooperate with the copyright holder and legal officials in all copyright matters.

**System Integrity, Security, and Encryption:** All Systems passwords and encryption keys must be available to the Company, and employees may not use passwords that are unknown to the Company. Employees may not install password or encryption programs without the written permission of our Systems Supervisor and without turning over encryption keys to their supervisor. Further, employees are prohibited from the unauthorized use of passwords and encryption keys belonging to other employees to gain access to the other employee's messages, information, or communications. The transfer of Company information including financial and confidential information to personal computers and lap tops requires prior **written consent** of the President.

**Consequences of Violations of the Company's Electronic Communications Policy:** Violations of this Policy may result in disciplinary action up to and including **immediate termination of an employee's employment as well as possible civil liabilities or criminal prosecution.** Where the Company deems it appropriate, we may advise legal officials or other appropriate third parties of any illegal acts. The Company will cooperate in investigations conducted by legal officials or appropriate third parties. We will not, of course, retaliate against anyone who reports violations or assists with our investigation of possible violations of this policy.

### **INSPECTION OF WORK AREA**

Employees are reminded that permission to bring items, such as bags, onto Company property is conditioned on agreeing to inspection by the Company on request. Therefore, the Company may search, without further advance notice, desks, cabinets, lockers, tool boxes, vehicles, including personal vehicles brought onto Company property, bags, or any other property on Company premises or in Company vehicles.

### **NO WEAPONS**

The Company prohibits employees and all other persons (other than law enforcement and authorized security personnel) from bringing firearms, ammunition, explosives, or other weapons of any kind onto Company property at any time. Likewise, no employee should

possess any firearm, explosive, or other weapon at any time while performing any work for the Company. Although the Company retains the right to determine the scope of this policy and the terms contained in it, "possess" as used in this policy generally means to have on your person, in your vehicle or the vehicle assigned to you, or in other property in your presence or under your control (such as bags, packages, purses, briefcases, desks, toolboxes, lockers, etc.), while on Company premises or while you are at work for the Company. If you have a question about whether a particular item could be considered a "weapon," you should consult with your supervisor immediately.

Any violation of this policy may subject an employee to discipline, up to and including immediate termination. If you have any questions concerning the application of this policy, you should consult your supervisor immediately.

### **PARKING LOTS AND ROADWAYS**

We ask that all of our employees park their vehicles in the areas designated for employee parking. If you have any questions as to where you should park, please ask your supervisor.

We prohibit speeding or operating a motor vehicle in a reckless manner on Company property or Company time. Speeds on Company property must not exceed 10 miles per hour. Company roadways and parking lots are considered as much a part of the Company complex as the inside of a building, and you are subject to all Company rules in Company roadways and parking lots.

### **REPORTING OF ACCIDENTS AND HAZARDS**

**ALL** accidents -- including those which do not involve serious injury and those involving customers -- must be reported immediately to your supervisor. Only through a full knowledge of accidents can the Company become a safer, healthier place to work for everyone.

Immediately report any unsafe conditions, defective tools or equipment, or other hazards to your supervisor. Each employee is expected to assist the Company in maintaining safe working conditions. Safety is a state of mind, and requires constant vigilance and common sense. Safety is everyone's responsibility.

### **SAFETY**

The health and well-being of our employees are foremost among our concerns. You must follow common-sense safety practices. You must also correct or report any unsafe condition, or defective or malfunctioning tool or equipment to your supervisor. All employees must cooperate with the Company in maintaining safe working conditions.

All employees are required to adhere completely to all Company and OSHA safety requirements, as well as state and federal laws and insurance company requirements. Failure to comply with safety requirements will result in discipline, up to and including immediate termination.

Basic rules include:

1. Do not remove guards or other safety devices, except pursuant to proper maintenance and repair guidelines — never operate equipment without required grounding.
2. Promptly report all hazardous conditions, broken equipment, or unsafe practices to your supervisor.
3. Wear a seat belt when in a Company vehicle.
4. Follow all safety rules.
5. Use personal protective equipment (PPE) when required.
6. Report all accidents immediately to your supervisor.
7. Refrain from horseplay and practical jokes.
8. Adhere to OSHA.

### **SEVERE WEATHER**

Normal weather should not affect Company operations. However, under extreme weather conditions, you may not be able to report to work or the Company may close an operation.

In the event of severe weather, you should make every effort to report to work unless your personal safety or the safety of your family is at risk. If you are not able to report to work, you must follow the normal “call-in” procedures to report your absence. If you make every effort to safely report to work and notify your supervisor of your absence according to the normal “call-in” procedures, your absence will be excused. Failure to properly report an absence will result in an unexcused absence and may result in disciplinary action. Hourly employees are not paid for absences caused by severe weather but may utilize any earned but unused paid time off.

In the rare circumstance of extreme weather or natural disaster, the Company may close. If the Company closes, we will attempt to notify you of the closure by any available means such as radio and television announcements, voice mail, and/or personal phone calls.

### **USE OF COMPANY PROPERTY AND EQUIPMENT**

Employees are expected to learn and follow all operating instructions, perform preventive maintenance, where applicable, and observe all safety practices. If you're unsure about the proper operation or maintenance of the Company's property or equipment, ask your supervisor. Property and equipment that appears damaged, defective, unsafe, or in need of repair should be reported promptly to your supervisor.

Employees causing damage to the Company's property and equipment may be subject to disciplinary action up to and including immediate termination. This includes loss or damage due to carelessness, negligence, improper use, or unsafe practices. Monetary reimbursement to the Company may also be required if applicable.

### **VEHICLE AND DRIVING REQUIREMENTS**

Only authorized employees may use Company vehicles. If a Company vehicle incurs any damage while under the charge of a particular employee, that employee must report the damage immediately and may be responsible for paying for some or all of the repair costs, to be determined by the Company in its sole discretion.

Likewise, if an employee receives a citation for any violation while operating a Company vehicle or a personal vehicle while on Company business, the employee is responsible for paying any fine or penalty incurred and may be subject to discipline, up to and including immediate termination. All such violations or citations must be reported to your immediate supervisor immediately. Failure to immediately report a violation or citation may result in discipline, up to and including immediate termination.

Drinking alcoholic beverages, or otherwise violating the drug and alcohol policy is prohibited in a Company-owned vehicle or in a personal vehicle while you are on Company business. Violation of this rule may result in disciplinary action, up to and including immediate termination.

**Unacceptable Driving Records:** For employees who drive vehicles in the course of their duties, an accident, a citation for D.U.I., D.W.I., or any other serious driving violation or citation (**even those occurring off-duty**) may create an unacceptable driving record. An unacceptable driving record may result in an employee not being allowed to drive a Company vehicle or other discipline, up to and including immediate termination.

**Seatbelts:** All employees must wear a seatbelt while driving or riding in any vehicle, either personal or Company-owned, while going to or from work, and at all times while performing Company business. Furthermore, the Company encourages all of its employees to wear seatbelts at all times, as required by state law.

**Use of Cellular Telephones While Driving:** For safety reasons, we ask that employees not talk on their cellular telephones while driving on Company business, unless they use the cellular phones "hands-free" mode.

**Motor Vehicle Record Checks:** For employees who drive vehicles in the course of their duties, we will check motor vehicle records ("MVR") of all applicants prior to making them offers of employment and of all current employees at least once each year. As part of the hiring process, applicants will be required to sign a written consent form allowing the Company to check their MVR **at any time** prior to or during their employment. All employees who drive in the course of their duties must have a valid driver's license for the state in which the employee resides. If an employee's license is misplaced or revoked, the employee must notify his or her supervisor immediately.

**Reporting of Traffic Incidents:** Employees who drive either personal or Company vehicles in the course of their duties must report in writing to their supervisor any citation, D.U.I., D.W.I., violation or accident ("incidents") that occur at any time after beginning employment with the Company. Failure to report such incidents within forty-eight (48) hours of occurrence (i.e., accident or receipt of citation, not conviction on the charges) may result in discipline, up to and including immediate termination.

**Driver's License:** All employees who drive as part of their job duties must have a valid driver's license. Any employee whose driver's license is suspended or revoked must report the

suspension or revocation to the President within 24 hours of the suspension or revocation.

### **WORKPLACE CHEMICALS**

The Company maintains a Hazard Communication Program which includes lists of all chemicals with which you work which may in any way be hazardous. We also maintain copies of Material Safety Data Sheets (MSDSs) on each chemical, which explain how to safely work with that chemical, and a written description of our program. We will provide training before you are assigned to work with or be exposed to a chemical that OSHA has declared "hazardous" in any way. Before you start a job using chemicals, you should always read container labels or consult with your supervisor about the MSDS, including what, if any safety equipment you should use. You should evaluate any unusual or non-routine task for chemical hazards and discuss with your supervisor or manager if necessary. Immediately notify your supervisor of any chemical containers which are leaking, are unlabeled, or where you are uncertain of how to dispose of a chemical.

If you buy new chemicals, always obtain a copy of the MSDS and give it to your supervisor before you use the chemical.

Copies of our Hazard Communication materials may be obtained from your supervisor.

### **WORKPLACE SECURITY**

To provide a safe workplace for our employees and to provide a comfortable and secure atmosphere for our customers and others with whom we do business, the Company will not tolerate any violent acts or even threats of violence.

**On Company premises:** Any employee who commits or threatens to commit any violent act against any person while on Company premises will be subject to immediate termination. The Company premises includes our roadways and parking lots.

**Off Company premises:** Any employee who, while engaged in Company business off the premises, commits or threatens to commit any violent act against any person will be subject to immediate termination. Even when off the premises and not involved in Company business, an employee who commits or threatens to commit a violent act against another person will be subject to immediate termination, if that threat or violence could adversely affect the Company or its reputation in the community.

**Reporting/investigation procedure:** Any employee who is threatened with or subjected to violence, or who becomes aware that another individual has been threatened with or subjected to violence, should immediately notify his or her supervisor or someone else in management. Employees are urged to take all threats seriously. Reports of threats or violence will be carefully investigated; employee confidentiality will be maintained to the extent possible consistent with a reasonable investigation; and, when necessary, appropriate action taken to insure the continued safety of our employees and the public.

### **PERSONAL APPEARANCE**

Our Company's professional atmosphere is maintained, in part, by the image we present to our customers and vendors. We expect all employees to present a neat, well-groomed appearance and a courteous disposition. These qualities go further than any other factors in making a favorable impression on the public and your fellow workers.

You should avoid extremes in dress. Flashy, skimpy or revealing clothing is unacceptable. Employees should dress in a businesslike manner. Jeans (unless authorized by your Department Manager), t-shirts, sweatshirts, shorts, miniskirts (more than 3" above the knee), "hot pants," short tops, halter tops, backless dresses, tennis shoes (except as authorized by your Department Manager), flip flops or other recreational type footwear and hats (except as part of a uniform or for sun protection) are **NOT ACCEPTABLE** attire.

The Company's professional image can be tarnished because of customers' negative reactions to body piercing such as nose rings, eyebrow rings and tongue piercing. Such body piercing also creates certain safety hazards in the workplace. For these reasons, we do not allow employees to display this kind of jewelry, and men are not allowed to wear earrings at work.

The Company's professional image can also be adversely affected by an employee's display of significant, visible body tattoos. For this reason, we do not allow any employee in contact with our customers and/or vendors to have significant, visible tattoos on their skin.

Good personal hygiene is also important in terms of our customers' favorable opinion and in terms of your respect for your fellow employees. Accordingly, employees are expected to come to work in a clean condition.

Hair should be clean, neat, and a natural style. If you color your hair, it must be natural looking and well maintained. Any hair colors, patches, stripes, or coatings such as blue, green, orange, or similar unnatural colors are not permitted.

Employees provided with Company uniforms should also keep them in neat and clean condition. Employees provided with Company uniforms must wear them at all times when on duty.

The name tag you have been issued is part of the Company uniform and must be worn at all times when you are on duty.

Employees are expected to observe our Personal Appearance Policy at all times while at work. Employees who report to work with unacceptable attire or appearance may be requested to leave work and return with acceptable attire or appearance. Such time away from work will be without pay for non-exempt employees.

Managers are responsible for insuring that employees project a professional image and adhere to our Personal Appearance Policy.

### **WORK AREA APPEARANCE**

We expect employees to maintain their work areas in a neat, professional, and acceptable manner. Each employee is expected to maintain the area in which he or she is working, and all employees are expected to maintain the common areas.

## **EMPLOYMENT OF RELATIVES**

Employment of family members will be the decision of the President.

## **KEYS**

Employees who need keys to the office, locked cabinets or other secured storage or equipment will be issued those keys by a supervisor. Keys must be safeguarded and must be returned by the employee when his or her employment is terminated.

We prohibit making duplicate sets of keys or letting someone borrow a key assigned to you for any reason. In the event you lose a key, immediately notify your supervisor. If the loss of a key results in the lock being re-keyed, you may be asked to pay the cost.

## **NO DATING**

Romantic or sexual liaisons that develop among employees in the workplace may be potentially disruptive to our business. The Company will intervene and discuss the romantic or sexual liaisons with involved employees. We may also take remedial measures, up to and including transfer or immediate termination, when the Company decides that such action is in the Company's best interests.

Managers or supervisors are expressly prohibited from dating or becoming sexually or romantically involved with any non-management employee within their sphere of responsibility. In the event the Company becomes aware of such a relationship, the supervisor or manager involved will be subject to immediate termination.

Managers and employees are restricted from dating or pursuing sexual relationships with guests and/or customers of the hotel while on property, on duty or while representing the Company in a professional capacity.

## **PERSONAL TELEPHONE CALLS AND PERSONAL VISITS**

We have a limited number of telephone lines, and we must keep these lines open for customer calls. Therefore, we ask our employees to refrain from making or receiving personal calls, except for emergencies. Additionally, employees must limit personal cell phone use to non-working time such as lunch and breaks. Personal cell phones may not be on your person and use is prohibited while on duty. Cell phone use should be limited to non-working times such as lunch and breaks.

All visitors on Company property are required to follow Company rules. Any visitor who refuses to obey these rules will be asked to leave and will not be allowed to return. Visits by friends or relatives can be disturbing to our operations. We strongly discourage such visits during work hours.

### **PERSONAL MAIL**

All mail delivered to the Company is presumed to be related to our business and will be opened by the office and routed to your department. If you do not want your mail handled in this manner, please have it delivered to your home or post office box.

### **TOBACCO AND SMOKING**

Use of tobacco in any form is permitted only in designated outdoor places at Company facilities. Smoking is prohibited by law in any area where paint or other flammable materials may be present.

### **EXIT INTERVIEW**

Any employee leaving the Company may be required to attend an exit interview conducted by their Manager or Human Resources. The purpose of the interview is to determine the reasons for leaving and to resolve any questions of compensation, insurance continuation, return of Company property, or other related matters.

### **NOTICE OF RESIGNATION**

In the event you choose to resign from your position, we ask that you give us at least two (2) weeks notice. Your final paycheck may be held until you return all Company property (including keys) in your possession or for which you are responsible.

### **TO SUM IT ALL UP**

This Handbook highlights your opportunities and responsibilities as an employee of the Company. By always keeping the contents of the Handbook in mind, you should be successful in your work at Valley Hospitality Services. Once again, welcome to our Company. We look forward to working with you.

**ACKNOWLEDGEMENT OF RECEIPT OF  
EMPLOYEE HANDBOOK**

I acknowledge that I have been instructed on how to access the Valley Hospitality Services ("Company") Employee Handbook through the web site ([www.valleyhospitality.com](http://www.valleyhospitality.com)), by printed hard copy located in the General Manager's and Human Resource Office and have been offered the option to receive a printed copy, or a CD of the Handbook. I understand the handbook covers many important Company policies, including, among other things:

**Initials**

**Drug and Alcohol Policy**  
**Equal Employment Opportunity Policy**  
**No Harassment Policy**  
**Problem Solving Procedure**  
**Electronic Communication Policy**

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\_\_\_\_\_  
\_\_\_\_\_

I acknowledge by my initials above that these very important policies have been reviewed with me.

I will familiarize myself with the Handbook and all of its contents. I acknowledge that I have been assigned a date and time to attend Valley Hospitality Corporate Orientation and that many of the policies contained in the Handbook will be reviewed at that time.

I understand that the Handbook represents only current policies and benefits and that it does not create a contract of employment. The Company retains the right to change these policies and benefits at any time, without advance notice, as it deems appropriate.

I understand that I have the right to terminate my employment at any time, for any reason with or without advance notice, and that the Company has a similar right. I further understand that my status as an at-will employee may not be changed except in writing signed by the Company's President.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Job Title**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Date**

**EMPLOYER COPY**

**HB given in printed / CD form \_\_\_\_\_**

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\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Job Title**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Date**

**EMPLOYEE COPY**